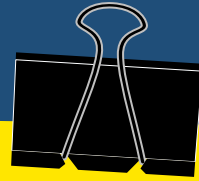


The background of the slide is a blurred image of three business professionals in a meeting. In the foreground, there is a desk with several documents featuring colorful bar charts and a pen.

**Week 04**

## **Capsule – B: Management & Leadership**

**Instructor – Maria Mohsin**



## **Unit # 4:**

### Leadership in Organizations

# Leadership

## Definition

*Leadership is the accomplishment of a goal through the direction of human assistants*

**Or**

*The ability of an individual or a group of individuals to influence and guide followers or other members of an organization towards attainment of organizational goals.*

Leading is establishing direction and influencing others to follow that direction. But this definition isn't as simple as it sounds because leadership has many variations and different areas of emphasis.



These definitions implies that leadership is an **influence process**.

# Leadership vs. Management

Leader Qualities	Manager Qualities
<ul style="list-style-type: none"><li>▪ SOUL</li><li>▪ Visionary</li><li>▪ Passionate</li><li>▪ Creative</li><li>▪ Flexible</li><li>▪ Inspiring</li><li>▪ Innovative</li><li>▪ Courageous</li><li>▪ Imaginative</li><li>▪ Experimental</li><li>▪ Initiates Change</li><li>▪ Personal Power</li></ul>	<ul style="list-style-type: none"><li>▪ MIND</li><li>▪ Rational</li><li>▪ Consulting</li><li>▪ Persistent</li><li>▪ Problem Solving</li><li>▪ Tough Minded</li><li>▪ Analytical</li><li>▪ Structured</li><li>▪ Deliberate</li><li>▪ Authoritative</li><li>▪ Stabilizing</li><li>▪ Position Power</li></ul>

# Characteristics of an effective leader

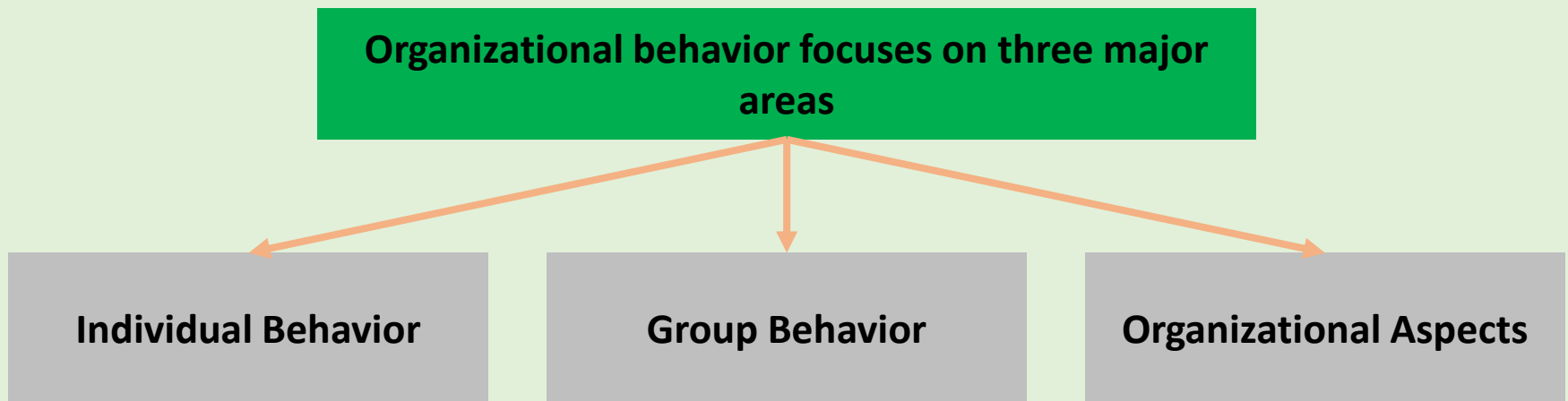
- **Drive.** Leaders are ambitious and take initiative.
- **Motivation.** Leaders want to lead and are willing to take charge.
- **Honesty and integrity.** Leaders are truthful and do what they say they will do.
- **Self-confidence.** Leaders are assertive and decisive and enjoy taking risks. They admit mistakes and foster trust and commitment to a vision. Leaders are emotionally stable rather than recklessly adventurous.
- **Cognitive ability.** Leaders are intelligent, perceptive, and conceptually skilled, but are not necessarily geniuses. They show analytical ability, good judgment, and the capacity to think strategically.
- **Business knowledge.** Leaders tend to have technical expertise in their businesses.

## Characteristics

<b>Drive</b>	<b>Motivation</b>
<b>Honesty &amp; Integrity</b>	<b>Self- confidence</b>
<b>Cognitive Ability</b>	<b>Business Knowledge</b>

# Organizational Behavior

- ❖ For a leader to have an impact on the employees of an organization, he should be concerned with their behavior i.e. actions of people – **organizational behavior**.
- ❖ Organizational behavior is the *study of the actions of people at work*.



# Organizational Behavior

Individual Behavior	Group Behavior	Organizational Aspects
Attitudes	Norms	Structure
Personality	Roles	Culture
Perception	Team Building	Human Resource Policies
Learning & Motivation	Leadership & Conflict	Human Resource Practices

# Individual Behavior

*An individual's behavior in an organization is assessed through the following three traits;*



***Attitudes & Job Performance***



***Perception & Learning***



***Personality***



# Individual Behavior - *Attitudes & Job Performance*

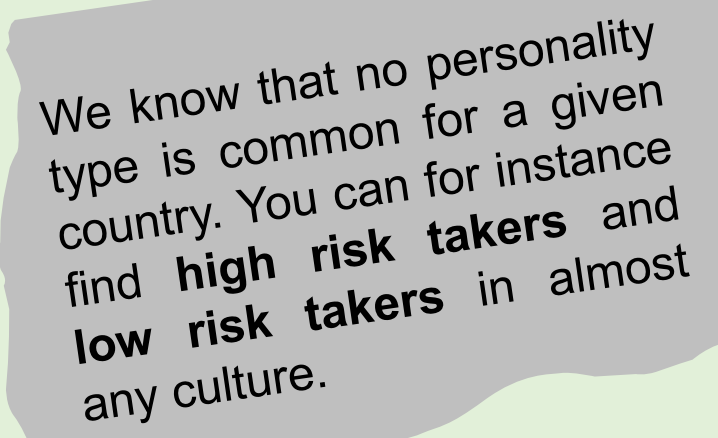
- ❖ Attitudes are evaluative statements – favorable or unfavorable – concerning objects, people or events.
- ❖ They reflect how an individual feels about something.
- ❖ An attitude is made up of three components;
  - **Cognition** – refers to beliefs, opinions, knowledge or information held by a person
  - **Affect** – refers to the emotional or feeling part of an attitude
  - **Behavior** – refers to an intention to behave in a certain way towards someone or something

# Individual Behavior - *Perception & Learning*

- ❖ **Perception** is the process by which we give meaning to our environment by organizing and interpreting sensory impressions.
- ❖ Research demonstrates that individuals may look at the same thing yet perceive it differently.
- ❖ Interpretation of a target is heavily influenced by a person's own characteristics
- ❖ **Learning** is a process of any relatively permanent change in behavior that occurs as a result of experience (Mentoring is a good example)

# Individual Behavior - *Personality*

- ❖ An **individual's personality** is unique combination of emotional, thought and behavioral patterns that effect how a person reacts to situations and interacts with others.
- ❖ It is often described in measurable traits that a person exhibits.
- ❖ Describing people using either or combination of the following terms is referred to as describing their personalities;
  - **Quiet**
  - **Passive**
  - **Loud**
  - **Aggressive**
  - **Ambitious**
  - **Extroverted**
  - **Loyal**
  - **Tense**
  - **Sociable**



We know that no personality type is common for a given country. You can for instance find **high risk takers** and **low risk takers** in almost any culture.

# Leadership Traits

Early research was focused on leaders who had achieved a level of greatness; great man approach.

Traits are **distinguishing people characteristics of a leader** such as intelligence, values and appearance.

## Physical Characteristics

- Energy
- Physical stamina

## Intelligence & Ability

- Intelligence & cognitive ability
- Knowledge
- Judgment & Decisiveness

## Social Background

- Education
- Mobility

## Personality

- Self confidence
- Honesty & Integrity
- Enthusiasm
- Desire to Lead
- Independence

## Social Characteristics

- Sociability, interpersonal skills
- Cooperativeness
- Ability to enlist cooperation tact
- Diplomat

## Work – Related Characteristics

- Achievement drive
- Desire to excel
- Conscientiousness in pursuit of goals
- Persistent against obstacles
- Tenacity

# Autocratic vs. Democratic Leaders

	Autocratic Leader	Democratic Leader
<u>Definition</u>	A leader who tends to centralize authority and rely on legitimate, reward and coercive power to manage subordinates.	A leader who delegates authority to others, encourages participation and relies on expert and referent power to manage subordinates.
<u>Authority</u>	Centralized	Decentralized
<u>Behaviour Orientation</u>	Task Oriented	Relation Oriented
<u>Control</u>	High level of control	Low level of control
<u>Autonomy</u>	Less	High
<u>Suitability</u>	Appropriate when the subordinates unskilled, uneducated and obedient.	Appropriate when team members are experienced, qualified and professional.

# Behavioural Approaches

**The autocratic and democratic styles suggests that it is the “Behavior” of the leader rather than a personality trait that determines leadership effectiveness.**

# Ohio State Studies

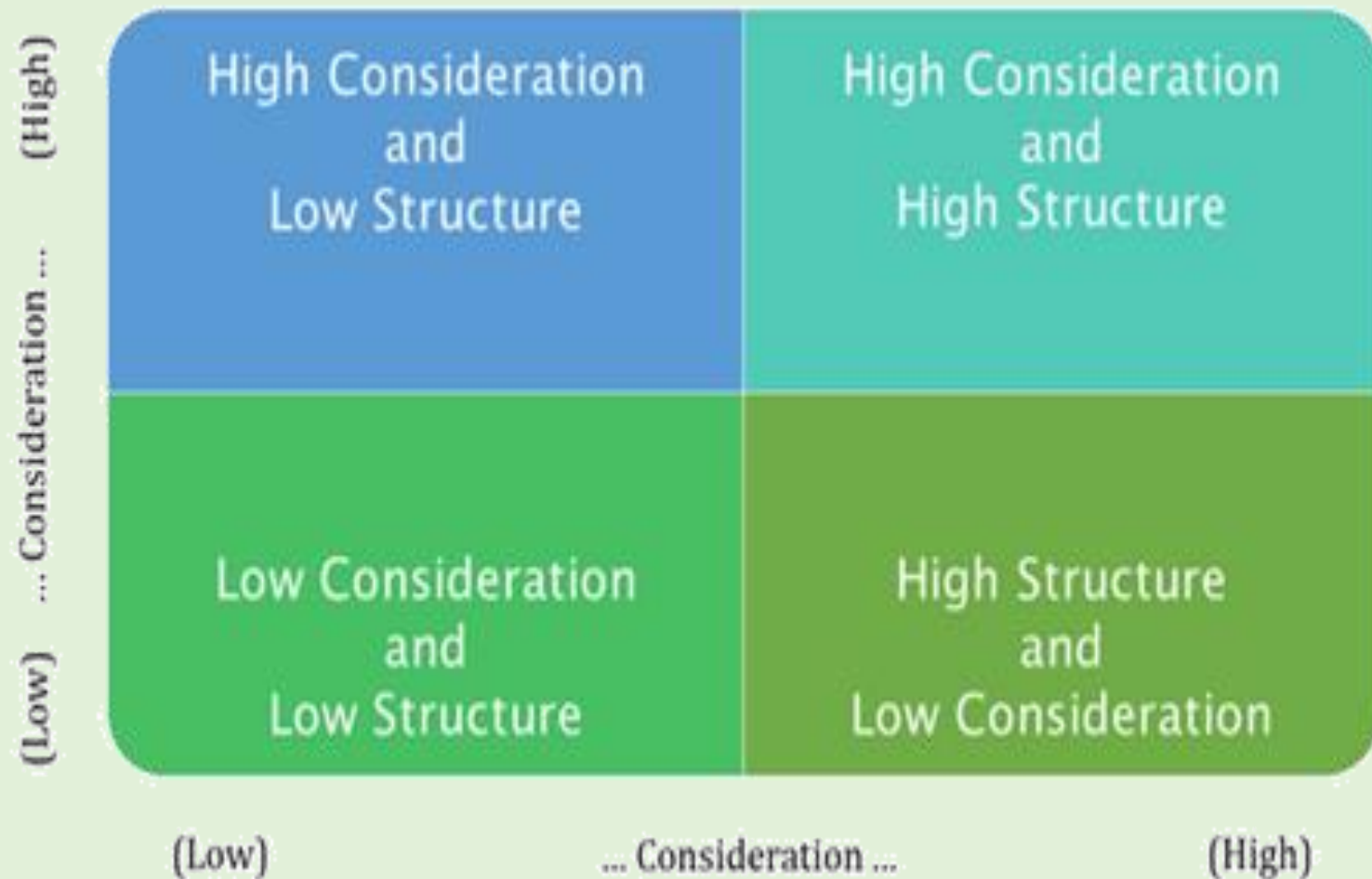
Conducted in 1940s, it identified leaders as having two major behaviors, which exist independently;

**Consideration:** A type of leader behavior that describes the extent to which a leader is sensitive to subordinates, respects their ideas and feelings, and establishes mutual trust.

**Initiating structure:** A type of leader behavior that describes the extent to which a leader is task oriented and directs subordinates' work activities towards goal achievement.

This enabled researchers and practitioners, for the first time, to look at leader behaviors systematically.

# Ohio State Studies





## Consideration

**Consideration focuses on behaviors that regard the comfort, well-being, status and contributions of followers.**

Examples of consideration behaviors:

- does personal favors for group members;
- is easy to understand;
- finds time to listen to group members;
- backs up the members in their actions;
- treats all group members as equals;
- is friendly and approachable.

## Initiation of Structure

Initiation of structure includes behaviors that clearly define a leader's role and let followers know what is expected.

Examples are:

- makes his/her attitudes clear to the group;
- criticizes poor work;
- maintains definite standards of performance;
- encourages the use of uniform procedures;
- sees to it that the work of group members is coordinated.

# Michigan Studies

Comparison of effective and ineffective supervisors, identifying two distinct styles of leadership;

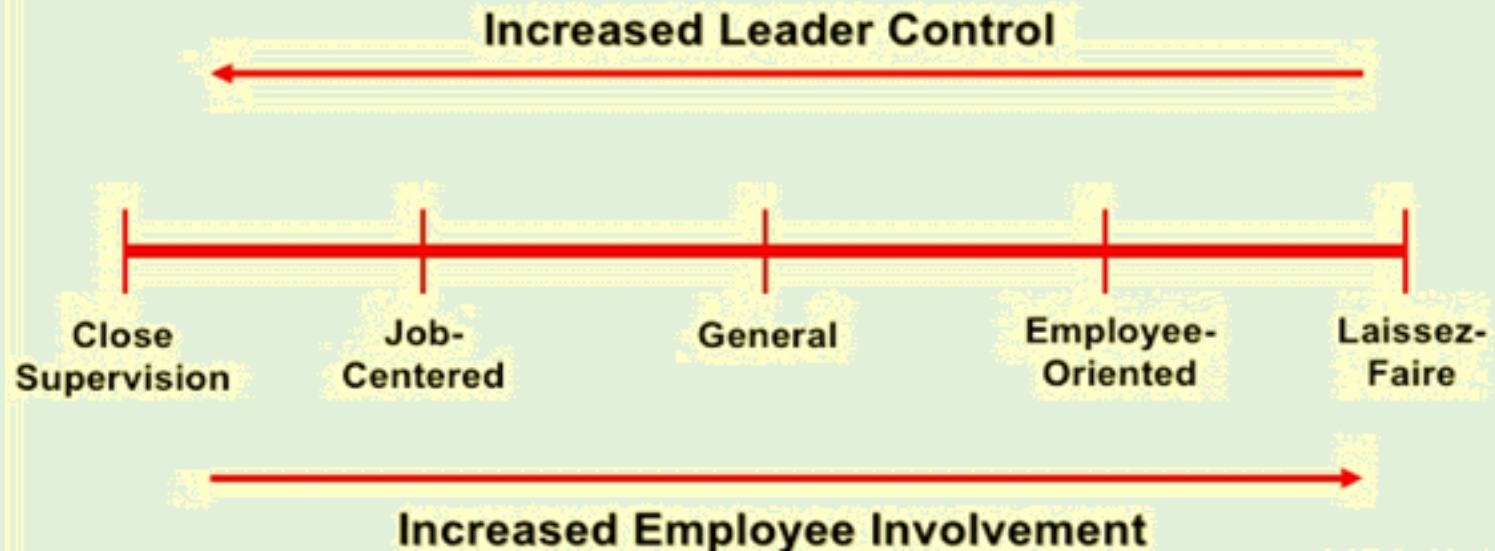
**Employee-centered Leadership:** Managers using employee-centered leader behavior are interested in developing a cohesive workgroup and ensuring that employees are satisfied with their jobs. The Michigan Leadership Studies found that both the styles of leadership led to an increase in production, but it was slightly more in case of production of job-centered style.

**Job-centered Leadership:** Managers using job-centered leader behavior pay close attention to subordinates' work, explain work procedures and are keenly interested in performance.

# Michigan Studies

## Michigan Studies

### Leadership Behavior Continuum



# Michigan Studies

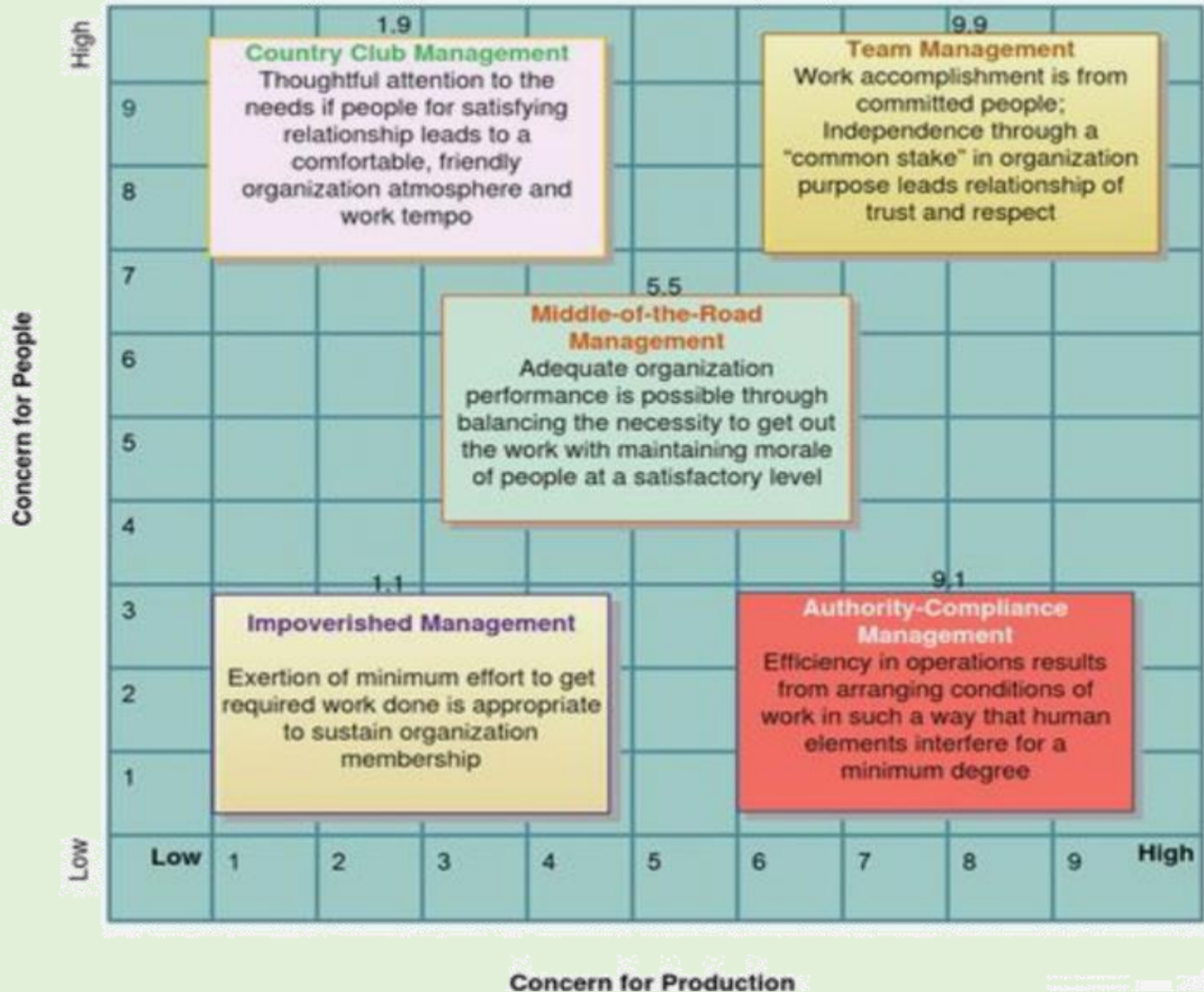
## Conclusion

- ❖ The use of direct pressure and close supervision led to decreased satisfaction and increased turnover and absenteeism.
- ❖ The employee-centered approach led to the improved work-flow procedure and more cohesion in interactions resulting in increased satisfaction and decreased turnover and absenteeism.
- ❖ This suggested the superiority of the employee-centered leadership (Participative leadership) style.

# Leadership Grid

- ❖ This was proposed by Blake and Mouton from the University of Texas
- ❖ They proposed a two dimensional leadership theory called the leadership grid.
- ❖ Plots a leader's degree of task-centeredness versus their person-centeredness
- ❖ It identifies five different combinations of the two and the leadership styles they produce.

# Leadership Grid



# Leadership Grid

Each axis on the grid consists of a nine-point scale with 1 meaning a low concern and 9 a high concern. Depending on a manager's score on each of the two axis, you can assign different types of management styles to managers:

**Team Management (9,9)** often is considered the most effective style and is recommended because organizational members work together to accomplish tasks.

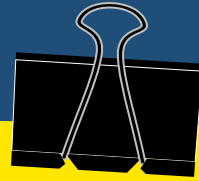
**Country Club Management (1,9)** occurs when primary emphasis is given to people rather than to work outputs.

**Authority-Compliance Management (9,1)** occurs when efficiency in operations is the dominant orientation.

**Middle-of-the-road Management (5,5)** reflects a moderate amount of concern for both people and production.

**Impoverished Management (1,1)** means the absence of a management philosophy, managers exert little effort towards interpersonal relationships or work accomplishment.





**The End**